

3. The EC and the States are generally not in favour of granted outright exemption from payment of input tax, since such exemptions are difficult to monitor and prone to misuse. The States, however, have been taking a number of steps to simplify the procedure for refunds and to expedite the process. Since VAT is a State subject, any decision on this issue can be taken by the States only.

**Adequate bank credit to tribals**

767. MS. MABEL REBELLO: Will the Minister of FINANCE be pleased to state:

(a) whether banks hesitate to lend to tribals in Central India;

(b) if so, what are the reasons for the same; and

(c) what steps his Ministry propose to take to ensure adequate bank credit to tribals in remote districts like Simdega, Gumla, Jaspur, Bastar, etc.?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) No, Sir. Banks are making efforts to lend to tribals in the State in Central India.

(c) Banks are taking the following steps to ensure adequate bank credit to tribals in remote districts of the country, including districts of Simdega, Gumla, Jaspur and Bastar:

- (i) Bank branches located in tribal concentrated districts are periodically sensitized to lend to tribal beneficiaries under banks' schemes as well as Government sponsored schemes.
- (ii) Regular monitoring of the performance of the branches of banks located in tribal concentrated districts is done by the Zonal Offices.
- (iii) Banks are actively participating in ongoing schemes for benefit of the tribal population. The implementation of these schemes are also monitored in the meetings of Block Level Bankers' Committee (BLBC), District Level Consultative Committee (DLCC) and State Level Banker's Committee (SLBC).

- (iv) Banks are also financing tribals in the schemes sponsored by State Tribal Finance and Development Corporation.
- (v) Micro Finance is encouraged by forming Self Help Groups (SHGs) and financial inclusion concept is implemented to increase outreach.
- (vi) Employment generation through production, processing, marketing of tribal products specially herbs and medicines collected by tribals.
- (vii) Educating tribal youths through various Non Governmental Organisations/Institutions for their socio-economic development.

#### **Rising prices of real estate**

768. SHRI KARNENDU BHATTACHARJEE: Will the Minister of FINANCE be pleased to state:

- (a) whether Government have worked out formula to control the rising prices of real estate and interest rates to give relief to house buyers;
- (b) if so, the details thereof; and
- (c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) to (c) Sir, the interest rates for real estate as also for other sectors of the economy are largely market determined. Reserve Bank of India has, however, advised the commercial banks to afford an opportunity to the borrowers of housing finance to obtain fair and transparent terms consistent with legal requirements and fair practices. Government has also provided fiscal concessions to make housing finance affordable. The National Housing Bank has set up a Technical Advisory Group to explore the possibility of constructing a housing prices index for tracking increase in the prices.

#### **GDP growth rate**

769. SHRI VIJAY J. DARDA: Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that in view of India's GDP being up by 9.1 per cent in the first half of the fiscal year to March, 2007, RBI and the Prime Minister expect the economy to sustain 8 per cent growth during 2006-07;